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Remarks

The present response is to the Office Action mailed in the above-referenced case on December 01, 2006. Claims 1-15 are standing for examination. Claim 1 is objected to because of informalities. Claims 4-7 are rejected under 35 U.S.C. 112, second paragraph. Claims 1-11 and 11-15 are rejected under 35 U.S.C 102(e) as being anticipated by Atsmon et al. (US 6,607,136) hereafter Atsmon. Claim 12 is rejected under 35 U.S.C. 103(a) as being unpatentable over Atsmon in view of ISO7816.

In response to the Examiner's objections, rejections and statements, applicant herein amends the claims to overcome the objections and 112 rejections. Applicant argues the claims as patentable over the art of Atsmon without amendment. Newly written claims 16-22 are added to provide protection for a method of the present invention. Claim 14 is cancelled.

Regarding the objection of claim 1, applicant herein amends the claim to an apparatus claim and amends the dependent claims to correct format and to depend from ana apparatus.

Regarding the 112 rejection, applicant herein amends claim 4 to remove the "such as" language, therefore, overcoming the rejection. Claims 5-7 depend upon claim 4 and are removed from the 112 rejection.

Regarding the 102(e) rejection as being anticipated by Atsmon, the Examiner states that Atsmon teaches; "a card reader plugged into the microphone input of the PC sound card (col. 3, lines 52-63); and a PC app let demodulating the identification sequence, and characterized by the absence of processing means within the card reader (col. 32, lines 25-50 and 64-67)."

Applicant argues that Atsmon fails to teach card reader plugged into the microphone input of the PC sound card, as claimed. The portion of Atsmon relied upon by the Examiner reads as follows:

"The personal computer typically has sound devices installed therein and the electronic card of the present invention can communicate with the computer using this already existing sound system. However, in another embodiment, special readers can be used to provide various functionality—from reading the contents of the card (for those systems without a sound device) to adding bidirectional support for an otherwise one-way card to recharging the battery(ies) in the card. So, if the computer system is not equipped with a sound system, a special reader is provided to allow the electronic card to communicate with the computer system. As another example, the special reader can be an electronic device with a microphone to allow an otherwise transmit-only one-way electronic card to have two-way capability."

Applicant points out, as clearly seen above, Atsmon fails to teach or suggest that the card reader is plugged into the microphone input of the PC sound card. Atsmon clearly teaches the use of a microphone in the invention.

Applicant argues that the main difference applicant's invention and that of Atsmon is that applicant's invention does not need to generate "sound", or "acoustic waves" to accomplish the invention. Applicant teaches the use of the modulation from the chip to communicate directly with the soundcard, bypassing the usual acoustic mode. Atsmon's method clearly needs a microphone as it is clearly taught in column 8, beginning at line 46 which reads; "Of course, each of those infrastructure electronic devices must have corresponding microphones to receive sound waves (e.g. microphone 14c for computer 14)." Atsmon also teaches the use of a transducer to generate sound waves (Col. 8, line 53).

Therefore, Atsmon fails to teach all of applicant's claim limitations of the independent claims and the 102(e) rejection fails. Applicant believes apparatus claim 1 and new method claim 16 are patentable over the art of Atsmon. Dependent claims 2-13, 15, and 17-222 are patentable on their own merits, or at least as depended from a patentable claim.

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As all of the claims are clearly patentable over the combined art of CHO and Weitzman, for the simple fact that the limitations of the claims are not taught in the combination of Cho and Weitzman, the claims are clearly patentable over the art, and applicant respectfully requests re-consideration, and that the case be passed quickly to issue. If there are any extensions of time required, such extensions are hereby requested. If there are any fees due, authorization is given to deduct the fees from deposit account 50-0534.

Respectfully Submitted, Vincent Cedric Colnot

By <u>| Donald R. Bays|</u> Donald R. Boys Reg. No. 35,074

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